

the proprietor must prepare a record containing the information required by §19.611 for a record of tax determination and must mark this record "Free of Tax for Use of the United States."

(26 U.S.C. 7510);

(26 U.S.C. 5271, 5313)

§ 19.427 Removal of denatured spirits and articles.

(a) *Specially denatured spirits.* (1) Specially denatured spirits withdrawn by a proprietor free of tax under §19.424(d) must be shipped in the type of containers authorized under subpart S to the consignee designated on the permit. Bulk conveyances used to transport specially denatured spirits must be secured as required by §19.441, and the proprietor must prepare a record of shipment in accordance with §19.625. If a proprietor withdraws specially denatured spirits for export or for transfer to a foreign trade zone for export or for storage pending export, the provisions of part 28 of this chapter will apply to the withdrawal.

(2) A proprietor may transfer domestic specially denatured spirits to qualified users located in a foreign trade zone for use in the manufacture of articles under part 20 of this chapter. The "alcohol", as defined in part 20 of this chapter, that is contained in domestic specially denatured spirits must have been produced entirely in the United States or Puerto Rico.

(b) *Completely denatured alcohol.* No permit, application, or notice is required for the removal of completely denatured alcohol from bonded premises.

(c) *Samples of denatured spirits.* (1) A proprietor may take samples of denatured spirits free of tax that are necessary for the conduct of business. A proprietor may furnish samples of specially denatured spirits:

(i) To dealers in, and users of, specially denatured spirits in advance of sales; or

(ii) To applicants or prospective applicants for permits to use specially denatured spirits for experimental purposes or for use in preparing samples of a finished product for submission to TTB.

(2) A proprietor must maintain records to ensure that samples of specially denatured spirits furnished to each nonpermittee do not exceed 5 gallons per calendar year. However, a proprietor may furnish samples in excess of 5 gallons to a nonpermittee if the consignee has provided the proprietor with a letterhead application approved under §20.252 of this chapter. The proprietor must retain the approved letterhead application on file as a part of the record of transaction. For each shipment of a sample over the 5 gallon limit, the proprietor must prepare a record of shipment and forward the original to the consignee as provided in §19.625. Each such sample must bear a label showing the word "Sample", the words "Specially Denatured Alcohol" or "Specially Denatured Rum" as applicable, the formula number, and the proprietor's name, address, and plant number. The proprietor must maintain records of samples of less than 5 gallons as provided in §19.616.

(d) *Articles.* A proprietor may remove articles from bonded premises in accordance with part 20 of this chapter.

(19 U.S.C. 81c);

(26 U.S.C. 5214, 5271)

§ 19.428 Reconsignment.

(a) A consignor may reconsign a shipment of spirits or specially denatured spirits withdrawn free of tax under §19.424. The shipment may be reconsigned while in transit or upon arrival at the consignee's premises for any bona fide reason. The consignor may reconsign the shipment:

(1) To himself;

(2) To a proprietor for return to bonded premises under §19.454; or

(3) To another consignee holding a valid permit issued under part 20 or 22 of this chapter.

(b) In the case of reconsignment to a proprietor for return to bonded premises under §19.454, the distilled spirits plant proprietor who will return the spirits to bond must file a consent of surety on form TTB F 5000.18 to extend the terms of the operations or unit bond to cover the return of the spirits.

(c) When a consignor reconsigns a shipment, the consignor must cancel